

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AFFINITY FUND, INC.

ALLEGED VIOLATION OF KRS 278.020 AND
KRS 278.160

)
)
) CASE NO. 92-069
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)

O R D E R

On December 20, 1991, Affinity Fund, Inc. ("Affinity Fund") applied for a Certificate of Public Convenience and Necessity to provide intrastate interLATA telecommunications services. On January 28, 1992, Affinity Fund filed responses to data requests propounded by the Commission stating that Affinity Fund has two customers in Kentucky and has provided some incidental intrastate telecommunications service for which compensation has been collected. A copy of Affinity Fund's response to Item 1 of said data request is attached hereto as Exhibit 1.

Accordingly, the Commission finds a prima facie showing has been made that Affinity Fund failed to file with the Commission its application for approval to operate and its schedule of rates and conditions of service prior to collecting compensation for the provision of utility service in violation of KRS 278.020 and KRS 278.160.

IT IS THEREFORE ORDERED that:


1. Affinity Fund shall immediately cease and desist from providing and charging for any and all telecommunications service within the Commonwealth of Kentucky.

2. Affinity Fund shall appear at a hearing scheduled for March 20, 1992, 10:00 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, to present evidence on the alleged violation of KRS 278.020 and 278.160, and to be prepared to show cause why Affinity Fund should not be penalized under KRS 278.990 and should not be required to make refunds of compensation collected prior to filing its schedule of rates and conditions of service, if such violation is found to have occurred. An informal conference is scheduled for March 13, 1992, at 1:30 p.m., Eastern Standard Time, in Conference Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, for discussion of any issues necessary for the resolution of this proceeding.


3. Affinity Fund shall file within 10 days from the date of this Order all documents pertaining to its provision of service in Kentucky including, but not limited to, rates and conditions of service, promotional sales material, customer applications, a list of customers with addresses, and billing records.

Done at Frankfort, Kentucky, this 25th day February, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 92-069 DATED FEBRUARY 25, 1992

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF KENTUCKY

IN THE MATTER OF THE APPLICATION)
OF AFFINITY FUND, INC. FOR A)
CERTIFICATE OF SERVICE TO) CASE NO. 91-358
PROVIDE INTRASTATE interLATA)
TELECOMMUNICATIONS SERVICES)

RESPONSE TO DATA REQUEST

Affinity Fund, Inc., a Florida corporation, responding to the Public Service Commission of Kentucky ("Commission") January 13, 1992 Order requesting information hereby states in verified form and like numbered paragraphs as follows:

1. Yes. According to the records of Affinity Fund, Inc. it has two (2) customers in Kentucky and there has been some incidental intrastate telecommunications services within the state described as follows:

(i) David Overfelt - Area 502 - Billed \$196.95 on January 2, 1992; and
(Paid \$100 on January 6th to Affinity Fund, Inc.)

(ii) Robert Smith - Area 606 - Billed \$15.75 on January 2, 1992.

These two customers are the result of Quail Unlimited (Georgia) doing a national solicitation among its membership of whom apparently Mr. Overfelt and Mr. Smith belong. Affinity Fund, Inc. has not directly solicited or contacted these two customers nor any other customers within the state.

2. Affinity Fund, Inc. seeks authority to provide intrastate, interLATA service through the resale of intrastate Wide Area Telecommunications Services (WATS), Message Telecommunications Service (MTS), Foreign Exchange Service,